

# Amãna Bank



**Amana Bank PLC (PB 3618 PQ)**

**Interim Financial Statements**

**30 June 2025**

**Vision**

To be an admired leader in providing equitable financial solutions, not limited to numerics, but also in earning the trust of our customers, employees, shareholders and country.

**Mission**

To adopt a unique and people friendly approach in banking with a passion for continuous improvement, enabling growth and enriching lives.



## **Amāna Bank continues with impressive profits**

- **2<sup>nd</sup> Quarter PAT up by 37%**
- **20% growth in Advances with 1.2% NPA**
- **Total Assets surpass LKR 200 Bn**

Amāna Bank continued its strong growth momentum in H1 2025, delivering a solid performance with Profit Before Tax (PBT) surpassing the LKR 1.5 billion mark, reflecting a 14% year-on-year (YoY) increase. Profit After Tax (PAT) also rose significantly by 18% YoY to LKR 901.3 million. For the 2<sup>nd</sup> Quarter alone, PBT grew by an impressive 29% to LKR 798.6 million, while PAT surged by 37% to LKR 467.2 million.

On the Bank's top-line performance, Net Financing Income for the first half of 2025 grew by 8% to reach LKR 3.8 billion, supported by a healthy financing margin of 4.0%. A similar growth trend was recorded in the 2<sup>nd</sup> Quarter, with Net Financing Income amounting to LKR 1.89 billion. The Bank's Net Fee and Commission Income recorded strong growth, increasing by 59% to LKR 370.2 million in the 2<sup>nd</sup> Quarter and by 30% to LKR 674.6 million in H1 2025. This contributed to Total Operating Income rising to LKR 2.35 billion in the 2<sup>nd</sup> Quarter and LKR 4.73 billion in H1, translating to a growth of 14% and 7% respectively.

Fuelled by enhanced portfolio quality, improved operating environment and proactive customer engagement, the Bank achieved a 59% YoY reduction in Impairment Charges, resulting in a 12% increase in Net Operating Income to LKR 4.59 billion in H1 2025. Maintaining a cost to income ratio of 52%, the Bank went on to record a 16% growth in Operating Profit before all taxes to close at LKR 2.1 billion. The Bank's aggregate tax contribution of LKR 1.21 billion accounted for a significant 57% of the Bank's Operating Profit before all taxes.

Building on the momentum of advances growth in Q1 and supported by the rising demand for non-interest-based banking, the Bank recorded a commendable 20% or LKR 22.7 billion increase in customer advances during H1 2025 to close at LKR 134.1 billion, whilst setting an industry benchmark with advances consisting of 67% of Total Assets. This performance was achieved while continuing to have one of the lowest industry-wide Stage 3 Impaired financing ratio of 1.2% owing to the Bank's effective risk management and underwriting standards, driven by its unique people friendly and development focused approach. The Bank's deposits grew by LKR 15 billion to close the quarter with LKR 169.3 billion while maintaining an industry best CASA ratio of 44%. During the six-month period, the Bank surpassed the LKR 200 billion strategic milestone in Total Assets, closing at LKR 200.5 billion as of 30 June 2025, thereby becoming one of the fastest banks in the country to reach this landmark.

The Bank's Return on Equity and Return on Assets stood at 7.8% and 1.6%, respectively. Further, Amāna Bank's Common Equity Tier 1 ratio closed at 13.2%, whilst Total Capital ratio was at 15.4%, well above the regulatory minimum requirement of 7% and 12.5% respectively.

During the quarter, Amāna Bank was globally recognised as the 'Most Impactful ICD Investee Company of the Year' at the IsDB Group Private Sector Forum Awards 2025. This prestigious accolade—awarded among investee companies from 57 IsDB member countries—was a remarkable achievement, especially given that Sri Lanka is not a member state of the IsDB group. The accolade was bestowed

recognising Amana Bank's substantial contributions to Sri Lanka's economic development, particularly through the empowerment of SMEs and other enterprises during challenging times, while also fostering job creation, advancing financial inclusion, promoting sustainability, and delivering meaningful CSR initiatives.

Commenting on the Bank's quarterly performance, Chairman Asgi Akbarally said: "Amana Bank's consistent and resilient performance reflects the strength of our unique banking model and the trust our customers and stakeholders place in us. Surpassing LKR 200 billion in Total Assets in a short period is a significant milestone, and we remain committed to supporting the nation's economic progress through inclusive and sustainable financial solutions."

Also sharing his thoughts, Managing Director/CEO Mohamed Azmeer stated "We are pleased with our continued performance during the first half of 2025, especially the strong growth in profitability, advances, and customer deposits. Our development-focused approach, prudent risk management, and emphasis on empowering people and businesses have been key to this performance. Receiving global recognition from the IsDB Group further reinforces the meaningful impact we continue to make, not just financially but socially as well. We look ahead with confidence to build on this performance in the second half of the year, as we remain committed to enabling growth and enriching lives."

Amāna Bank PLC is a stand-alone institution licensed by the Central Bank of Sri Lanka and listed on the Colombo Stock Exchange with Jeddah-based IsDB Group being the principal shareholder of the Bank. The IsDB Group is a 'AAA' rated multilateral development financial institution with a membership of 57 countries. Testifying its position as a leading practitioner of the non-interest based banking model, Amāna Banks was recognized amongst the Top 25 Strongest Islamic Bank's in the World by The Asian Banker.

Amāna Bank does not have any subsidiaries, associates, or affiliated institutions apart from its engagement with OrphanCare as its Founding Sponsor.

**STATEMENT OF PROFIT OR LOSS**

FOR THE	SIX MONTHS ENDED 30 JUNE			QUARTER ENDED 30 JUNE		
	2025	2024	Change %	2025	2024	Change %
	(Rs. '000)	(Rs. '000)		(Rs '000)	(Rs '000)	
Financing Income	7,990,586	8,050,846	(1%)	4,002,688	3,908,800	2%
Financing Expenses	(4,157,807)	(4,511,193)	(8%)	(2,116,820)	(2,165,146)	(2%)
<b>Net Financing Income</b>	<b>3,832,779</b>	<b>3,539,653</b>	<b>8%</b>	<b>1,885,868</b>	<b>1,743,654</b>	<b>8%</b>
Net Fee and Commission Income	674,577	518,946	30%	370,224	233,049	59%
Net Trading Income	221,124	369,879	(40%)	91,415	94,781	(4%)
Net Gains / (Losses) from Financial Investments at Fair Value through Profit or Loss	3,384	4,353	(22%)	6,641	2,069	221%
Net Gains / (Losses) from Derecognition of Financial Assets	(132)	(549)	(76%)	(81)	(383)	(79%)
Net Other Operating Income	1,557	1,042	49%	643	959	(33%)
<b>Total Operating Income</b>	<b>4,733,289</b>	<b>4,433,324</b>	<b>7%</b>	<b>2,354,710</b>	<b>2,074,129</b>	<b>14%</b>
Impairment Charges	(143,690)	(351,725)	(59%)	(9,492)	(108,439)	(91%)
<b>Net Operating Income</b>	<b>4,589,599</b>	<b>4,081,599</b>	<b>12%</b>	<b>2,345,218</b>	<b>1,965,690</b>	<b>19%</b>
Personnel Expenses	1,260,263	1,127,210	12%	634,548	565,318	12%
Depreciation and Amortisation of Property, Plant, Equipment and Right-of-Use Assets	177,742	158,956	12%	90,031	79,636	13%
Other Operating Expenses	1,041,094	969,841	7%	527,762	488,754	8%
<b>Total Operating Expenses</b>	<b>2,479,099</b>	<b>2,256,007</b>	<b>10%</b>	<b>1,252,341</b>	<b>1,133,708</b>	<b>10%</b>
<b>Operating Profit Before VAT on Financial Services and Social Security Contribution Levy</b>	<b>2,110,500</b>	<b>1,825,592</b>	<b>16%</b>	<b>1,092,877</b>	<b>831,982</b>	<b>31%</b>
VAT on Financial Services	(501,171)	(411,200)	22%	(257,634)	(185,271)	39%
Social Security Contribution Levy	(71,345)	(62,971)	13%	(36,672)	(29,759)	23%
<b>Profit Before Tax</b>	<b>1,537,984</b>	<b>1,351,421</b>	<b>14%</b>	<b>798,571</b>	<b>616,952</b>	<b>29%</b>
Tax Expense	(636,650)	(588,000)	8%	(331,363)	(275,756)	20%
<b>Profit for the Period</b>	<b>901,334</b>	<b>763,421</b>	<b>18%</b>	<b>467,208</b>	<b>341,196</b>	<b>37%</b>
<b>Earnings Per Share -</b> - Basic / Diluted (in Rs.)	1.64	1.39	18%	0.85	0.62	37%

STATEMENT OF COMPREHENSIVE INCOME

FOR THE	SIX MONTHS ENDED 30 JUNE			QUARTER ENDED 30 JUNE		
	2025 (Rs. '000)	2024 (Rs. '000)	Change %	2025 (Rs '000)	2024 (Rs '000)	Change %
<b>Profit for the Period</b>	<b>901,334</b>	<b>763,421</b>	<b>18%</b>	<b>467,208</b>	<b>341,196</b>	<b>37%</b>
<b>Other Comprehensive Income/(Loss)</b>						
<b>Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods:</b>						
Financial Assets - Fair Value through Other Comprehensive Income:						
Net Gain / (Loss) on Financial Assets - Fair Value through Other Comprehensive Income	29,710	(8,103)	467%	24,308	(2,701)	1,000%
	29,710	(8,103)	467%	24,308	(2,701)	1,000%
<b>Net Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods:</b>	<b>29,710</b>	<b>(8,103)</b>	<b>467%</b>	<b>24,308</b>	<b>(2,701)</b>	<b>1,000%</b>
<b>Other Comprehensive Income / (Loss) for the Period Net of Tax</b>	<b>29,710</b>	<b>(8,103)</b>	<b>467%</b>	<b>24,308</b>	<b>(2,701)</b>	<b>1,000%</b>
<b>Total Comprehensive Income for the Period</b>	<b>931,044</b>	<b>755,318</b>	<b>23%</b>	<b>491,516</b>	<b>338,495</b>	<b>45%</b>

**STATEMENT OF FINANCIAL POSITION**

AS AT	30 JUN 2025 (Rs. '000)	31 DEC 2024 (AUDITED) (Rs. '000)	Change %
<b>Assets</b>			
Cash and Cash Equivalents	12,533,531	17,070,765	(27%)
Balances with Central Bank of Sri Lanka	7,761,042	7,078,039	10%
Placements with Banks	37,988,265	38,311,690	(1%)
Placements with Licensed Finance Companies	1,011,028	507,640	99%
Derivative Financial Assets	4,841	177,461	(97%)
Financial Assets Designated at Fair Value through Profit or Loss	41,724	70,217	(41%)
Financial Assets at Amortised Cost - Financing and Receivables to Other Customers	134,055,749	111,301,849	20%
Financial Assets Measured at Fair Value through Other Comprehensive Income	378,421	348,711	9%
Other Assets - Financial	1,863,318	2,829,580	(34%)
Property, Plant, Equipment And Right-of-Use Assets	3,068,878	2,968,027	3%
Intangible Assets	470,381	337,563	39%
Other Assets - Non Financial	518,921	510,950	2%
Deferred Tax Assets	824,317	824,317	-
<b>Total Assets</b>	<b>200,520,416</b>	<b>182,336,809</b>	<b>10%</b>
<b>Liabilities</b>			
Due to Banks	1,519,433	18,949	7,919%
Derivative Financial Liabilities	980	22,857	(96%)
Financial Liabilities at Amortised Cost - Due to Depositors	169,343,042	154,405,710	10%
Other Liabilities - Financial	4,576,400	4,099,975	12%
Current Tax Liabilities	719,981	473,465	52%
Dividend Payable	77,542	99,471	(22%)
Retirement Benefit Liability	199,335	186,731	7%
Other Liabilities - Non Financial	307,480	187,790	64%
<b>Total Liabilities</b>	<b>176,744,193</b>	<b>159,494,948</b>	<b>11%</b>
<b>Shareholders' Funds</b>			
Stated Capital	17,633,461	17,633,461	-
ESOP Reserve	81,836	78,518	4%
Statutory Reserve Fund	355,174	355,174	-
Revaluation Reserve	1,006,066	1,006,066	-
Fair Value Reserve	131,308	101,598	29%
Retained Earnings	4,568,378	3,667,044	25%
<b>Total Equity</b>	<b>23,776,223</b>	<b>22,841,861</b>	<b>4%</b>
<b>Total Liabilities and Shareholders' Funds</b>	<b>200,520,416</b>	<b>182,336,809</b>	<b>10%</b>
<b>Net Asset Value per Ordinary Share</b>	<b>43.14</b>	<b>41.45</b>	
<b>Commitments and Contingencies</b>	<b>55,725,787</b>	<b>49,602,675</b>	

**CERTIFICATION:**

I certify that these Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd.

**M. Ali Wahid**

Chief Financial Officer  
14 August 2025

We, the undersigned, being Chairman and Managing Director / Chief Executive Officer of Amana Bank PLC certify jointly that:-

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka and Rule 7.4 of Colombo Stock Exchange.

(b) the information contained in these statements have been extracted from the unaudited Financial Statements of the Bank unless indicated as audited.

Sgd.

**Ali Asghar Akbarally**

Chairman  
14 August 2025

Sgd.

**Mohamed Azmeer**

Managing Director / CEO  
14 August 2025

**STATEMENT OF CHANGES IN EQUITY**

	Stated Capital	ESOP Reserve	Statutory Reserve Fund	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total
<b>As at 31 December 2023 (Audited)</b>	<b>17,633,461</b>	<b>50,979</b>	<b>266,441</b>	<b>1,007,191</b>	<b>71,888</b>	<b>2,666,624</b>	<b>21,696,584</b>
Profit for the six months ended 30 June 2024	-	-	-	-	-	763,421	<b>763,421</b>
Other Comprehensive Income for the six months ended 30 June 2024	-	-	-	-	(8,103)	-	<b>(8,103)</b>
Share-Based Payment Expense	-	13,770	-	-	-	-	<b>13,770</b>
<b>As at 30 June 2024</b>	<b>17,633,461</b>	<b>64,749</b>	<b>266,441</b>	<b>1,007,191</b>	<b>63,785</b>	<b>3,430,045</b>	<b>22,465,672</b>
Profit for the six months ended 31 December 2024	-	-	-	-	-	1,011,245	<b>1,011,245</b>
Other Comprehensive Income for the six months ended 31 December 2024	-	-	-	-	37,813	(25,287)	<b>12,526</b>
Interim Dividend 2024	-	-	-	-	-	(661,351)	<b>(661,351)</b>
Share-Based Payment Expenses	-	13,769	-	-	-	-	<b>13,769</b>
Transfers to Statutory Reserve Fund	-	-	88,733	-	-	(88,733)	-
Transferred to Retained Earnings	-	-	-	(1,125)	-	1,125	-
<b>As at 31 December 2024 (Audited)</b>	<b>17,633,461</b>	<b>78,518</b>	<b>355,174</b>	<b>1,006,066</b>	<b>101,598</b>	<b>3,667,044</b>	<b>22,841,861</b>
Profit for the six months ended 30 June 2025	-	-	-	-	-	901,334	<b>901,334</b>
Other Comprehensive Income for the six months ended 30 June 2025	-	-	-	-	29,710	-	<b>29,710</b>
Share-Based Payment Expenses	-	3,318	-	-	-	-	<b>3,318</b>
<b>As at 30 June 2025</b>	<b>17,633,461</b>	<b>81,836</b>	<b>355,174</b>	<b>1,006,066</b>	<b>131,308</b>	<b>4,568,378</b>	<b>23,776,223</b>

STATEMENT OF CASH FLOWS

FOR THE

	SIX MONTHS ENDED 30 JUNE	
	2025 (Rs. '000)	2024 (Rs. '000)
<b>Cash Flows from Operating Activities</b>		
Financing Income Received	8,204,280	8,371,753
Fees and Commission Received	674,445	518,397
Financing Expenses Paid	(3,921,879)	(4,674,372)
Foreign Exchange Income	221,124	369,879
Gratuity Payments Made	(6,120)	(8,189)
Payments to Employees and Suppliers	(2,837,504)	(2,540,408)
<b>Operating Profit/(Loss) before Changes in Operating Assets and Liabilities</b>	<b>2,334,346</b>	<b>2,037,060</b>
<b>(Increase) / Decrease in Operating Assets</b>		
Financing and Receivable to Other Customers	(22,863,362)	(8,923,915)
Other Assets	725,032	(518,993)
Balance with Central Bank of Sri Lanka	(683,003)	3,594,725
<b>Increase / (Decrease) in Operating Liabilities</b>		
Due to Other Customers	14,736,905	13,642,219
Due to Banks	1,464,983	(299,289)
Other Liabilities	725,925	205,819
<b>Net Cash Flow from Operating Activities before Income Tax</b>	<b>(3,559,174)</b>	<b>9,737,626</b>
Income Tax Paid	(390,134)	(459,478)
<b>Net Cash From / (Used In) Operating Activities</b>	<b>(3,949,308)</b>	<b>9,278,148</b>
<b>Cash Flows From/(Used In) Investing Activities</b>		
Acquisition of Property, Plant & Equipment	(139,265)	(82,766)
Proceeds from Sale of Property, Plant and Equipment	-	-
Acquisition of Intangible Assets	(70,746)	(13,264)
Investments in Placements with Banks	109,998	(5,300,002)
Investments in Placements with Licensed Finance Companies	(500,002)	(1)
Financial Assets Recognised through Profit or Loss - Measured at Fair Value	31,877	(59,916)
Dividend Received from Financial Assets	1,557	1,042
<b>Net Cash From / (Used In) Investing Activities</b>	<b>(566,581)</b>	<b>(5,454,907)</b>
<b>Cash Flows From / (Used In) Financing Activities</b>		
Rights Issue of Shares	-	-
Share Issue Expenses	-	-
Dividend Paid	(21,929)	(1)
<b>Net Cash From / (Used In) Financing Activities</b>	<b>(21,929)</b>	<b>(1)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(4,537,818)</b>	<b>3,823,240</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>17,077,573</b>	<b>11,107,767</b>
<b>Cash and Cash Equivalents at the End of the Period - Gross of Allowance for Impairment</b>	<b>12,539,755</b>	<b>14,931,007</b>

CASH AND CASH EQUIVALENTS

	2025 (Rs. '000)	2024 (Rs. '000)
Cash in Hand	9,360,249	8,802,342
Balances with Banks	3,179,506	6,128,665
	<b>12,539,755</b>	<b>14,931,007</b>
Less: Allowance for Impairment	(6,224)	(6,907)
<b>Total</b>	<b>12,533,531</b>	<b>14,924,100</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 01. ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Financial instruments are measured on an ongoing basis either at fair value or at amortised cost. The summary of significant accounting policies stated in the Annual Financial Statements describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the carrying amounts of the financial instruments by category as defined in SLFRS 9 and by headings of the Statement of Financial Position.

	RUPEES IN THOUSANDS			
	FAIR VALUE THROUGH PROFIT OR LOSS	AMORTIZED COST	FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	TOTAL AS AT 30.6.2025
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	12,533,531	-	12,533,531
Balances with Central Bank of Sri Lanka	-	7,761,042	-	7,761,042
Placements with Banks	-	37,988,265	-	37,988,265
Placements with Licensed Finance Companies	-	1,011,028	-	1,011,028
Derivative Financial Assets	4,841	-	-	4,841
Financial Assets Designated at Fair Value through Profit or Loss	41,724	-	-	41,724
Financial Assets at Amortised Cost - Financing and Receivables to Other Customers	-	134,055,749	-	134,055,749
Financial Assets measured at Fair Value through Other Comprehensive Income	-	-	378,421	378,421
Other Assets - Financial	-	1,863,318	-	1,863,318
<b>Total Financial Assets</b>	<b>46,565</b>	<b>195,212,933</b>	<b>378,421</b>	<b>195,637,919</b>
<b>Financial Liabilities</b>				
Due to Banks	-	1,519,433	-	1,519,433
Derivative Financial Liabilities	980	-	-	980
Financial Liabilities at Amortised Cost - Due to Depositors	-	169,343,042	-	169,343,042
Other Liabilities - Financial	-	4,576,400	-	4,576,400
<b>Total Financial Liabilities</b>	<b>980</b>	<b>175,438,875</b>	<b>-</b>	<b>175,439,855</b>

	FAIR VALUE THROUGH PROFIT OR LOSS	AMORTIZED COST	FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	TOTAL AS AT 31.12.2024 (AUDITED)
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	17,070,765	-	17,070,765
Balances with Central Bank of Sri Lanka	-	7,078,039	-	7,078,039
Placements with Banks	-	38,311,690	-	38,311,690
Placements with Licensed Finance Companies	-	507,640	-	507,640
Derivative Financial Assets	177,461	-	-	177,461
Financial Assets Designated at Fair Value through Profit or Loss	70,217	-	-	70,217
Financial Assets at Amortised Cost - Financing and Receivables to Other Customers	-	111,301,849	-	111,301,849
Financial Assets measured at Fair Value through Other Comprehensive Income	-	-	348,711	348,711
Other Assets - Financial	-	2,829,580	-	2,829,580
<b>Total Financial Assets</b>	<b>247,678</b>	<b>177,099,563</b>	<b>348,711</b>	<b>177,695,952</b>
<b>Financial Liabilities</b>				
Due to Banks	-	18,949	-	18,949
Derivative Financial Liabilities	22,857	-	-	22,857
Financial Liabilities at Amortised Cost - Due to Depositors	-	154,405,710	-	154,405,710
Other Liabilities - Financial	-	4,099,975	-	4,099,975
<b>Total Financial Liabilities</b>	<b>22,857</b>	<b>158,524,634</b>	<b>-</b>	<b>158,547,491</b>

## 02. FINANCING AND RECEIVABLES TO OTHER CUSTOMERS

	RUPEES IN THOUSANDS	
ANALYSIS OF FINANCING AND RECEIVABLES TO OTHER CUSTOMERS	30.6.2025	31.12.2024 (AUDITED)
Gross Financing and Receivables to Other Customers	140,385,269	117,521,906
Accumulated Impairment		
Stage 1	(1,691,476)	(1,560,406)
Stage 2	(1,990,262)	(2,233,037)
Stage 3	(2,647,782)	(2,426,614)
<b>Net Financing and Receivables to Other Customers</b>	<b>134,055,749</b>	<b>111,301,849</b>

## NOTES TO THE FINANCIAL STATEMENTS

## ANALYSIS OF FINANCING AND RECEIVABLES TO OTHER CUSTOMERS - (Contd...)

## FINANCING AND RECEIVABLES TO OTHER CUSTOMERS - BY PRODUCT

RUPEES IN THOUSANDS

By Product - Domestic Currency	30.6.2025	31.12.2024
		(AUDITED)
Overdraft	13,095,289	13,291,096
Trade Finance	6,222,217	1,992,493
Lease Receivables	11,394,383	9,126,642
Staff Facilities	1,414,133	1,170,618
Term Financing	85,717,839	71,397,952
Gold Facilities	12,537,927	11,683,154
Others	331,502	145,889
<b>Sub Total</b>	<b>130,713,290</b>	<b>108,807,844</b>
<b>By Product - Foreign Currency</b>		
Overdraft	778,436	757,750
Term Financing	8,256,246	5,513,572
Trade Finance	631,989	2,378,280
Others	5,308	64,460
<b>Sub Total</b>	<b>9,671,979</b>	<b>8,714,062</b>
<b>Total</b>	<b>140,385,269</b>	<b>117,521,906</b>

## 03. IMPAIRMENT ALLOWANCE FOR FINANCING AND RECEIVABLES TO OTHER CUSTOMERS

A reconciliation of the allowance for impairment losses for Financing and Receivables to Other Customers, under SLFRS 9 is as follows:

RUPEES IN THOUSANDS

	STAGE 1	STAGE 2	STAGE 3	TOTAL IMPAIRMENT
ECL allowance as at 1 January 2025 under SLFRS 9	1,560,406	2,233,037	2,426,614	6,220,057
Charge/(Write Back) for the year	131,070	(242,775)	221,168	109,463
Amounts written off	-	-	-	-
<b>As at 30 June 2025</b>	<b>1,691,476</b>	<b>1,990,262</b>	<b>2,647,782</b>	<b>6,329,520</b>

RUPEES IN THOUSANDS

	STAGE 1	STAGE 2	STAGE 3	TOTAL IMPAIRMENT
				(AUDITED)
ECL allowance as at 1 January 2024 under SLFRS 9	1,131,910	2,675,414	2,121,820	5,929,144
Charge/(Write Back) for the year	428,496	(442,377)	304,794	290,913
Amounts written off	-	-	-	-
<b>As at 31 December 2024</b>	<b>1,560,406</b>	<b>2,233,037</b>	<b>2,426,614</b>	<b>6,220,057</b>

NOTES TO THE FINANCIAL STATEMENTS

04. COMMITMENTS AND CONTINGENCIES

ANALYSIS OF COMMITMENTS AND CONTINGENCIES	RUPEES IN THOUSANDS	
	30.6.2025	31.12.2024 (AUDITED)
Gross Commitments and Contingencies	55,821,537	49,691,818
Allowance for Impairment		
Stage 1	(47,911)	(58,671)
Stage 2	(25,537)	(18,898)
Stage 3	(22,302)	(11,574)
<b>Net Financing and Receivables to Other Customers</b>	<b>55,725,787</b>	<b>49,602,675</b>

FINANCING AND RECEIVABLES TO OTHER CUSTOMERS - BY PRODUCT

	RUPEES IN THOUSANDS	
	30.6.2025	31.12.2024 (AUDITED)
Commitments for Unutilised Facilities	16,672,148	14,218,545
Letters of Credit	9,933,161	4,836,373
Guarantees, Bonds	8,892,315	6,313,056
Outward Clearing Cheques	1,632,628	794,832
Acceptances	6,911,776	5,814,914
Bills for Collection and Others	3,845,234	3,536,910
Promissory Forward Sales	7,364,275	11,588,490
Promissory Forward Purchases	570,000	2,588,698
<b>Total</b>	<b>55,821,537</b>	<b>49,691,818</b>

05. DUE TO OTHER CUSTOMERS - BY PRODUCT

ANALYSIS OF DEPOSITS	RUPEES IN THOUSANDS	
	30.6.2025	31.12.2024 (AUDITED)
<b>By Product - Domestic Currency</b>		
Demand Deposits	12,318,915	10,893,877
Savings Deposits	55,742,387	49,742,595
Time Deposits	73,310,240	66,056,875
<b>Sub Total</b>	<b>141,371,542</b>	<b>126,693,347</b>
<b>By Product - Foreign Currency</b>		
Demand Deposits	1,467,701	1,419,139
Savings Deposits	5,311,301	5,890,455
Time Deposits	21,192,498	20,402,769
<b>Sub Total</b>	<b>27,971,500</b>	<b>27,712,363</b>
<b>Total</b>	<b>169,343,042</b>	<b>154,405,710</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 06. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as described below.

- Level 1 Quoted price (unadjusted) in active markets for the identical assets or liabilities. This level includes listed equity securities and / or debt instruments.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 Inputs for asset or liability that are not based on observable market data (unobservable inputs). This level includes equity and / or debt instruments with significant unobservable components.

	RUPEES IN THOUSANDS			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>As at 30 June 2025</b>				
<b>Financial Assets</b>				
Derivative Financial Assets	-	4,841	-	4,841
Financial Assets Designated at Fair Value through Profit or Loss	41,724	-	-	41,724
Income	375,428	-	2,993	378,421
	<b>417,152</b>	<b>4,841</b>	<b>2,993</b>	<b>424,986</b>
<b>Financial Liabilities</b>				
Derivative Financial Liabilities	-	980	-	980
	-	<b>980</b>	-	<b>980</b>

	RUPEES IN THOUSANDS			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL (AUDITED)
<b>As at 31 December 2024</b>				
<b>Financial Assets</b>				
Derivative Financial Assets	-	177,461	-	177,461
Financial Assets Designated at Fair Value through Profit or Loss	70,217	-	-	70,217
Income	345,718	-	2,993	348,711
	<b>415,935</b>	<b>177,461</b>	<b>2,993</b>	<b>596,389</b>
<b>Financial Liabilities</b>				
Derivative Financial Liabilities	-	22,857	-	22,857
	-	<b>22,857</b>	-	<b>22,857</b>

*Derivative Financial Assets and Liabilities:*

Derivative products are promissory forward foreign exchange transactions, valued using a valuation technique with market-observable inputs. The most frequently applied valuation techniques include promissory forward foreign exchange spot and Net Present Value.

*Financial Assets Recognised through Profit or Loss - Measured at Fair Value, Financial Assets Measured at Fair Value through Other Comprehensive Income*

The estimated fair values are based on quoted and observable market prices.

**Financial Instruments not carried at Fair Value**

Set out below is a comparison, by class, of the carrying amounts and fair values of the Bank's financial instruments that are not carried at fair value in the Financial Statements. This table does not include the fair values of Non-Financial Assets and Non-Financial Liabilities.

	RUPEES IN THOUSANDS			
	30.6.2025		31.12.2024	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE (AUDITED)	FAIR VALUE (AUDITED)
<b>Financial Assets</b>				
Cash and Cash Equivalents	12,533,531	12,533,531	17,070,765	17,070,765
Balance with Central Bank of Sri Lanka	7,761,042	7,761,042	7,078,039	7,078,039
Placements with Banks	37,988,265	37,988,265	38,311,690	38,311,690
Placements with Other Companies	1,011,028	1,011,028	507,640	507,640
Financial Assets at Amortised Cost - Financing and Receivables to Other Customers	134,055,749	129,511,884	111,301,849	100,640,222
Other Assets - Financial	1,863,318	1,863,318	2,829,580	2,829,580
	<b>195,212,933</b>	<b>190,669,068</b>	<b>177,099,563</b>	<b>166,437,936</b>
<b>Financial Liabilities</b>				
Due to Banks	1,519,433	1,519,433	18,949	18,949
Financial Liabilities at Amortised Cost - Due to Depositors	169,343,042	169,343,042	154,405,710	154,405,710
Other Liabilities - Financial	4,576,400	4,576,400	4,099,975	4,099,975
	<b>175,438,875</b>	<b>175,438,875</b>	<b>158,524,634</b>	<b>158,524,634</b>

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the Financial Statements:

**Balances with Banks, Balances with Licensed Finance Companies, Other Financial Assets and Other Financial Liabilities**

For the above, the carrying value is a reasonable estimate of fair values.

**Financial Assets at Amortised Cost - Financing and Receivables to Other Customers**

The fair value of the above are estimated by discounting the estimated future cash flows using the prevailing market rates for financing as of the reporting date with similar credit risks and maturities (Level 3).

**Financial Liabilities at Amortised Cost - Due to Depositors**

The fair values of the above are deemed to approximate their carrying amounts as rate of returns are determined at the end of their holding periods based on the profit generated from the relevant investments.

**NOTES TO THE FINANCIAL STATEMENTS**
**07. SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)**

	AS AT 30.6.2025	AS AT 31.12.2024 (AUDITED)
<b>Regulatory Capital (Rs. '000)</b>		
Common Equity Tier 1 (before applicable adjustments)	22,617,972	21,716,638
Common Equity Tier 1 (after applicable adjustments)	21,161,079	20,414,588
Tier 1 Capital	21,161,079	20,414,588
Total Capital	24,664,567	23,882,001
<b>Regulatory Capital Ratios (%)</b>		
Common Equity Tier 1 Capital Ratio (Minimum Requirement 7.0%)	13.2%	15.0%
Tier I Capital Ratio (Minimum Requirement 8.5%)	13.2%	15.0%
Total Capital Ratio (Minimum Requirement 12.5%)	15.4%	17.6%
Leverage Ratio % (Minimum Requirement 3%)	9.8%	10.6%
<b>Regulatory Liquidity</b>		
Liquidity Coverage Ratio (%) (Minimum Requirement 100%)		
- Rupee (%)	260.0%	368.5%
- All Currency (%)	195.8%	252.8%
Net Stable Funding Ratio (%) (Minimum Requirement 100%)	136.0%	129.4%
<b>Assets Quality (Quality of Financing and Advance Portfolio)</b>		
Impaired Financing and Advances (Stage 3) Ratio (%)	1.2%	1.3%
Impairment (Stage 3) to Stage 3 Financing and Advances Ratio (%)	58.7%	59.6%
<b>Profitability</b>		
Financing Margin (%)	4.0%	4.0%
Return on Assets (Before Tax) (%)	1.6%	1.6%
Return on Equity (%)	7.8%	8.0%
Cost to Income (%)	52.4%	53.0%
<b>Memorandum Information</b>		
Credit Rating	- Fitch Ratings	BBB-(lka)
	- Lanka Rating Agency	BBB+
Number of Employees		899
Number of Branches		33

## NOTES TO THE FINANCIAL STATEMENTS

## 08. SEGMENT INFORMATION

The following table presents information on total income, profit, total assets and liabilities regarding the Bank's operating segments.

FOR THE PERIOD ENDED 30 JUNE 2025	RUPEES IN THOUSANDS					
	CONSUMER BANKING	BUSINESS BANKING	TOTAL BANKING	TREASURY	UNALLOCATED / ELIMINATION	TOTAL
<b>Income</b>						
Financing Income	2,069,162	4,886,704	6,955,866	1,034,720	-	7,990,586
Net Fee and Commission Income	234,468	415,947	650,415	21,372	2,790	674,577
Net Trading Income	-	-	-	221,124	-	221,124
Net Gains / (Losses) from Financial Investments at Fair Value Through Profit or Loss	-	-	-	3,384	-	3,384
Net Gains / (Losses) from Derecognition of Financial Assets	-	-	-	(132)	-	(132)
Other Operating Income	-	-	-	1,557	-	1,557
<b>Total Income</b>	<b>2,303,630</b>	<b>5,302,651</b>	<b>7,606,281</b>	<b>1,282,025</b>	<b>2,790</b>	<b>8,891,096</b>
<b>Less</b>						
Financing Expenses			(4,117,551)	(325)	(39,931)	(4,157,807)
Impairment Charges			(147,928)	4,238	-	(143,690)
Operating Expenses			(1,760,160)	(718,939)	-	(2,479,099)
<b>Operating Profit Before VAT on FS &amp; SSCL</b>			<b>1,580,642</b>	<b>566,999</b>	<b>(37,141)</b>	<b>2,110,500</b>
VAT on FS & SSCL						(572,516)
<b>Profit Before Tax</b>						<b>1,537,984</b>
Tax Expense						(636,650)
<b>Profit After Tax</b>						<b>901,334</b>
<b>Total Assets</b>	<b>33,775,066</b>	<b>100,280,683</b>	<b>134,055,749</b>	<b>42,244,916</b>	<b>24,219,751</b>	<b>200,520,416</b>
<b>Total Liabilities</b>	<b>130,791,579</b>	<b>38,551,463</b>	<b>169,343,042</b>	<b>1,501,305</b>	<b>5,899,846</b>	<b>176,744,193</b>

FOR THE PERIOD ENDED 30 JUNE 2024	RUPEES IN THOUSANDS					
	CONSUMER BANKING	BUSINESS BANKING	TOTAL BANKING	TREASURY	UNALLOCATED / ELIMINATION	TOTAL
<b>Income</b>						
Financing Income	2,010,541	4,702,583	6,713,124	1,337,722	-	8,050,846
Net Fee and Commission Income	192,450	290,439	482,889	20,299	15,758	518,946
Net Trading Income	-	-	-	369,879	-	369,879
Net Gains / (Losses) from Financial Investments at Fair Value Through Profit or Loss	-	-	-	4,353	-	4,353
Net Gains / (Losses) from Derecognition of Financial Assets	-	-	-	(549)	-	(549)
Other Operating Income	-	-	-	1,042	-	1,042
<b>Total Income</b>	<b>2,202,991</b>	<b>4,993,022</b>	<b>7,196,013</b>	<b>1,732,746</b>	<b>15,758</b>	<b>8,944,517</b>
<b>Less</b>						
Financing Expenses			(4,463,302)	(10,640)	(37,251)	(4,511,193)
Impairment Charges			(351,725)		-	(351,725)
Operating Expenses			(1,601,765)	(654,242)	-	(2,256,007)
<b>Operating Profit Before VAT on FS</b>			<b>779,221</b>	<b>1,067,864</b>	<b>(21,493)</b>	<b>1,825,592</b>
VAT on FS & SSCL						(474,171)
<b>Profit Before Tax</b>						<b>1,351,421</b>
Tax Expense						(588,000)
<b>Profit After Tax</b>						<b>763,421</b>
<b>Total Assets</b>	<b>24,709,717</b>	<b>73,520,615</b>	<b>98,230,332</b>	<b>53,660,360</b>	<b>21,743,786</b>	<b>173,634,478</b>
<b>Total Liabilities</b>	<b>110,647,283</b>	<b>35,732,112</b>	<b>146,379,395</b>	<b>273,163</b>	<b>4,516,248</b>	<b>151,168,806</b>

**EXPLANATORY NOTES**

1. These Interim Financial Statements have been prepared in accordance with LKAS 34 - Interim Financial Reporting and present information required by Listing Rules of Colombo Stock Exchange.
2. The interim condensed Financial Statements do not include all the information and disclosure required in the Annual Financial Statements, and should be read in conjunction with Annual Financial Statements as at 31 December 2024.
3. There are no material events that took place after the Statement of Financial Position date which require adjustment to or disclosures in the Financial Statements.
4. The accounting policies adopted in the presentation of the interim condensed Financial Statements are consistent with those followed in the preparation of the Bank's Annual Financial Statements for the year ended 31 December 2024.
5. Comparative figures have been restated wherever necessary to conform to the current period's presentation.
6. There has not been a significant change in the nature of the contingent liabilities as disclosed in the Annual Report of 2024.
7. Market Price of Ordinary Shares (the Bank listed its ordinary shares on the Colombo Stock Exchange on 29 January 2014) :

	<b>2025 Rs.</b>	<b>2024 * Rs.</b>
Last Traded Price as at 30 June	22.50	2.30
Highest Market Price during the quarter ended 30 June	24.90	2.60
Lowest Market Price during the quarter ended 30 June	21.70	2.20

\* During July 2024, the Bank consolidated its shares in the ratio of every existing Ten (10) shares in to One (1) share. In view of this, the share price details mentioned above for 2024 represents values prior to such consolidation.

EXPLANATORY NOTES

09. TWENTY LARGEST SHAREHOLDERS AS AT 30 JUNE 2025

No	Name of Shareholder	No. of Shares	%
1	IB Growth Fund (Labuan) LLP	137,277,245	24.91%
2	Sampath Bank PLC / Senthilverl Holdings (Pvt) Ltd	79,802,630	14.48%
3	Mr. Osman Kassim / Mrs. Khairunnissa Kassim / Mr. Abdullah Osman Kassim	29,641,198	5.38%
4	Cargills Bank Limited / Senthilverl Holdings (Pvt) Ltd	29,022,673	5.27%
5	Bank Islam Malaysia Berhad	20,949,916	3.80%
6	AB Bank PLC	20,949,916	3.80%
7	Quick Tea Pvt Ltd	20,476,459	3.72%
8	Islamic Development Bank	18,339,298	3.33%
9	Akbar Brothers Pvt Ltd A/c No 1	18,302,459	3.32%
10	E.W. Balasuriya & Co. (Pvt) Ltd Acc No 01	13,043,478	2.37%
11	Domon Ltd	11,573,996	2.10%
12	Mr. Feroz Omar	9,684,895	1.76%
13	P M Mohamedali & Co	8,753,665	1.59%
14	Mrs. Shahida Hamid	8,238,697	1.49%
15	Mrs. Tarab Iqbal Ismail	8,238,697	1.49%
16	Mr. Mohamed Ashroff Omar	8,238,697	1.49%
17	Millennium Capital Investments Pte Ltd	8,138,133	1.48%
18	Mrs. Farhat Farook Kassim	7,162,192	1.30%
19	Mr. Hanif Yusoof	6,747,826	1.22%
20	Mr. Shafik Kassim	6,445,236	1.17%
	<b>Sub total</b>	<b>471,027,306</b>	<b>85.47%</b>
	Other Shareholders (Number of Shareholders 8,593)	80,098,440	14.53%
	<b>Total</b>	<b>551,125,746</b>	<b>100.00%</b>
	<b>Percentage of Public Holding as at 30 June 2025</b>		<b>44.66%</b>
	<b>Number of Shareholders</b>		<b>8,592</b>
	<b>Float adjusted market capitalisation</b>		<b>Rs 5.54 Bn</b>

Bank complies with the minimum public holding requirement under option 3 as specified by rule 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange (Public Holding % ; 7.5%, Number of Public Shareholders; 500)

10. DIRECTORS' HOLDING IN SHARES AS AT 30 JUNE 2025

Name	No. of Shares
Mr. Ali Asghar Akbarally	Nil
Mr. Mohamed Azmeer	300,000
Mr. K M P B Abdullah	Nil
Mr. Tishan Subasinghe	Nil
Mr. M Ataur Rahman Chowdhury	Nil
Mr. S M Asim Raza	Nil
Mr. Mohamed Adamaly	Nil
Mr. Mohammad Hassan	Nil
Mr. Delvin Pereira	Nil
Mr. Azreen Zaheer	Nil
Mr. Senthilverl Senthil Nandhanan	Nil